



## NEWS RELEASE

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**Centervilleohio.gov**

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### Centerville Council votes to place income tax increase on November ballot

Centerville City Council voted at its June 20, 2016 meeting to place a 0.5 percent earned income tax levy on the November 8 ballot.

Centerville voters will be asked to approve a modest increase that would raise the Centerville income tax rate from 1.75 percent to 2.25 percent. Council cites ongoing steep State funding cuts as the primary reason for the proposed increase. Over the past five years, Centerville has lost close to \$3 million each year, an 89 percent reduction in State funding—funding that the City will never regain. These cuts have led to a 20 percent reduction in the City's General Fund and a reduction of 30 staff positions. If passed, the tax increase would bring in an estimated \$2 million to the City each year. That amount would help the City maintain Police, road and other City services.

During the Council meeting City Manager Greg Horn and Finance Director Steven Hinshaw reported that while Centerville continues to tighten its belt by delaying road improvements, cutting positions and stretching budgets, decisions by the State legislature have slashed funding to the point that immediate action is needed.

Centerville hasn't sought an increase in earned income or real property tax in 35 years. However, in 2017, the City will face additional state cuts with the implementation of House Bill 5, which is estimated to result in another \$1 million annual loss.

**MORE**

## Ballot issue, page 2

The increase in the earned income tax rate would primarily affect people who work in the City of Centerville, regardless of where they live. A majority of Centerville residents work outside of the City limits and are already paying a 2.25 percent or higher earned income tax rate to another city, as income tax funds the city where a person is employed.

One of only two cities in the south Dayton suburbs that does not assess for sidewalk, curb or gutter replacement, Centerville provides outstanding value, also maintaining the second lowest municipal property tax rate of any city in Montgomery County.

All financial reports are available at [www.CentervilleOhio.gov](http://www.CentervilleOhio.gov).

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